



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

NOV 19 1997

Sue B. Sutton, Treasurer
Third District North Carolina
Republican Party
1754 Highway 11 South
Kinston, NC 28504

Identification Number: C00250589

Reference: Mid-Year Report (1/1/97-6/30/97)

Dear Ms. Sutton:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Your report discloses \$2,001.16 in total disbursements on Line 30 of the Detailed Summary Page. However, you have failed to itemize these disbursements on the appropriate lines of the Detailed Summary Page. Please amend your report to disclose the breakdown of this total on Lines 21-29.

-Your report discloses no payments for administrative expenses. Each committee utilizing separate federal and non-federal accounts is required to allocate any administrative expenses between the accounts in proportion to the BALLOT COMPOSITION METHOD derived from FEC Schedule H1. A Schedule H1 must be filed with the first FEC FORM 3X submitted each year. 11 CFR §106.5(d)

Any goods or services provided to your committee by a person, except volunteer activity (i.e., a person's time), would be considered an in-kind contribution from that person, and would be subject to the disclosure requirements of 2 U.S.C. §434(b)(3) and 11 CFR §104.13, and the limitations and prohibitions of 2 U.S.C. §§441a and 441b.

Clarification regarding administrative expenses should be disclosed during each two year election cycle beginning with the first report filed in the non-election year. Please provide the necessary information regarding administrative expenses incurred by your committee and/or amend your report to disclose such expenses according to the referenced provisions of the Act and Commission Regulations.

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 219-3580.

Sincerely,

A handwritten signature in black ink, appearing to read 'NE', is written over the word 'Sincerely,'.

Neil Evans
Reports Analyst
Reports Analysis Division

